IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO.366 OF 1998

The Federal Bank Limited ...Plaintiffs

Versus

Hanumanmal Singhwil ...Defendant

Shri A.S.Pal i/by Shri O.A.Das for the Plaintiffs.

CORAM : ABHAY S.OKA, J.
DATED : JULY 27, 2007.

P.C.:

1. The suit is placed under the caption of "Undefended Suits for Exparte Decree". The learned counsel for the Plaintiffs has tendered on record an affidavit in lieu of evidence of Mr. John Daniel, Manager (Administrative-Legal) of the Plaintiffs. The said affidavit is marked "X" for identification and is taken on record. Certain documents are tendered along with a list by the learned counsel appearing for the Plaintiffs. The said list alongwith the documents are marked "Y" (collectively) for identification and the same are taken on record.

2. The suit is filed for the recovery of the amount due and payable by the Defendant under the demand loan facility of Rs.5 lakhs granted by the Plaintiffs to the Defendant against the pledge of seventeen thousand equity share of M/s.CRB Capital Markets Ltd. The Defendant executed a demand promissory note in the sum

of Rs.5 lakhs in favour of the Plaintiffs by which he agreed to pay the amount alongwith interest at the rate of 21.25 per cent per annum with quarterly rests. The Defendant also executed a letter of pledge of shares in favour of the Plaintiffs on 31st January, 1996. A security delivery letter was also executed by the Defendant on the same day. The said original documents are placed on record alongwith list "Y". The Plaintiffs has also produced a true copy of extract of the loan account of the Defendant maintained by the Plaintiffs.

3. The claim of the Plaintiffs has been duly proved by the affidavit of Mr. John Daniel. The original documents are also proved by the said witness. There is no written statement filed. In so far as the further interest is concerned, the prayer is for grant of the further interest at the rate of 22.25 per cent per annum on the suit claim. Considering the facts and circumstances of the case, the further interest will have to be fixed at the rate of 15 per cent per annum.

4. Accordingly, suit is decreed in terms of prayer clauses (b) and (c) with modification that interest will be payable at the rate of 15% per annum from the date of institution of the suit till realisation. The Plaintiffs will be entitled to refund of court fees, if any, in accordance with rules. Certified copy is expedited.

JUDGE